

RECORDATION NO. 20657 FILED

APR 25 '97

11-50AM

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OF COUNSEL
URBAN A. LESTER

April 25, 1997

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are four (4) copies of a Memorandum of Master Equipment Lease Agreement, dated as of April 21, 1997, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessor: Fleet Capital Corporation
50 Kennedy Plaza
Providence, Rhode Island 02903

Lessee: Dakota, Minnesota & Eastern Railroad Corporation
337 22nd Avenue
Brookings, South Dakota 57006

A description of the railroad equipment covered by the enclosed document is:

one hundred (100) gondola railcars bearing DME reporting marks and road numbers 80100 through 80199.

RECEIVED
SURFACE TRANSPORTATION
BOARD

APR 25 11 44 AM '97

County of - El Paso

Mr. Vernon A. Williams
April 25, 1997
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Also enclosed is a check in the amount of \$24.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a stylized flourish at the end.

Robert W. Alvord

RWA/bg
Enclosures

RECORDATION NO. 20657 FILED

APR 25 '97 11-50AM

MEMORANDUM OF LEASE

Filed and Recorded with the
Department of Transportation
on _____
at _____

& given Recordation No. _____

MEMORANDUM OF MASTER EQUIPMENT LEASE AGREEMENT dated as of February 10, 1997
by and between Fleet Capital Corporation, a Rhode Island corporation ("Lessor") and Dakota, Minnesota &
Eastern Railroad Corporation, a Delaware corporation ("Lessee"), as such agreement relates to Lease Schedule
No. 32189-01 thereof (together, the "Lease").

WITNESSETH:

1. Pursuant to the Lease, Lessor has agreed to lease to Lessee, and the Lessee has agreed to lease from
the Lessor, 100 One Ton 52'6" Mill Gondola Rail Cars bearing the Reporting Marks/Running Numbers and
Serial Numbers set forth on Schedule A attached hereto.

2. The Lease shall be effective as of the date set forth below and shall be subject to the Lease Term, as
defined in the Lease.

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Memorandum of Master
Equipment Lease Agreement to be signed and sealed by their respective duly authorized signatories as of the date
set forth below.

Dated as of: April 21, 1997

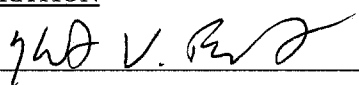
Lessor:
FLEET CAPITAL CORPORATION

By: 

Name: PATRICE S. KANE

Title: Vice President

Lessee:
DAKOTA, MINNESOTA & EASTERN RAILROAD
CORPORATION

By: 

Name: Kurt V. Feaster, Chief Financial Officer
Treasurer & Ass't Secretary

Title: _____



SCHEDULE A

Page 1 of 3

Attached to and made a part of the following: Lease Schedule 32189-01, Acceptance Certificate and UCC -1 Financing Statements with Dakota, Minnesota & Eastern Railroad Corporation

QTY	DESCRIPTION	UNIT NO.	SERIAL NO.
-----	-------------	----------	------------

LOCATION (01)

Vendor: Thrall Car Manufacturing Company

Invoice No.: 40360 Dated: 4-15-97

100 100 Ton, 52'6" Mill Gondolas Rail Cars

<u>Car Initial</u>	<u>Car Number</u>
DME	80100
DME	80101
DME	80102
DME	80103
DME	80104
DME	80105
DME	80106
DME	80107
DME	80108
DME	80109
DME	80110
DME	80111
DME	80112
DME	80113
DME	80114
DME	80115
DME	80116
DME	80117
DME	80118
DME	80119
DME	80120
DME	80121
DME	80122
DME	80123
DME	80124
DME	80125
DME	80126
DME	80127
DME	80128
DME	80129
DME	80130
DME	80131



SCHEDULE A

Page 2 of 3

Attached to and made a part of the following: Lease Schedule 32189-01, Acceptance Certificate and UCC -1 Financing Statements with Dakota, Minnesota & Eastern Railroad Corporation

QTY	DESCRIPTION	UNIT NO.	SERIAL NO.
	DME	80132	
	DME	80133	
	DME	80134	
	DME	80135	
	DME	80136	
	DME	80137	
	DME	80138	
	DME	80139	
	DME	80140	
	DME	80141	
	DME	80142	
	DME	80143	
	DME	80144	
	DME	80145	
	DME	80146	
	DME	80147	
	DME	80148	
	DME	80149	
	DME	80150	
	DME	80151	
	DME	80152	
	DME	80153	
	DME	80154	
	DME	80155	
	DME	80156	
	DME	80157	
	DME	80158	
	DME	80159	
	DME	80160	
	DME	80161	
	DME	80162	
	DME	80163	
	DME	80164	
	DME	80165	
	DME	80166	
	DME	80167	
	DME	80168	
	DME	80169	
	DME	80170	
	DME	80171	
	DME	80172	
	DME	80173	



SCHEDULE A

Page 3 of 3

Attached to and made a part of the following: Lease Schedule 32189-01, Acceptance Certificate and UCC -1 Financing Statements with Dakota, Minnesota & Eastern Railroad Corporation

QTY	DESCRIPTION	UNIT NO.	SERIAL NO.
	DME	80174	
	DME	80175	
	DME	80176	
	DME	80177	
	DME	80178	
	DME	80179	
	DME	80180	
	DME	80181	
	DME	80182	
	DME	80183	
	DME	80184	
	DME	80185	
	DME	80186	
	DME	80187	
	DME	80188	
	DME	80189	
	DME	80190	
	DME	80191	
	DME	80192	
	DME	80193	
	DME	80194	
	DME	80195	
	DME	80199	

WITH ALL STANDARD AND ACCESSORY EQUIPMENT

FLEET CAPITAL CORPORATION

BY: 

NAME: PATRICE S. KANE

TITLE: Vice President

DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION

BY: 

NAME: Kurt V. Feaster, Chief Financial Officer
Treasurer & Ass't Secretary

TITLE: _____

Lessor's Notary Page

STATE OF: Rhode Island

SS.

COUNTY OF: Providence

On April 23, 1997 before me, Sandra Buonaiuto, AVP
(Notary Name and Title)

personally appeared Patrice S. Kane personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to within the instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature: Sandra Buonaiuto

(Notarial Seal)

Lessee's Notary Page

State of South Dakota)
) ss:
County of Brookings)

On this _____ day of April, 1997, before me, Joyce E. Hock, Notary Public in and for the State of South Dakota, personally appeared Kurt V. Feaster, personally known to me to be the person whose name is subscribed to within the instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the entity, upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature: _____

Joyce E. Hock

(Notarial Seal)

*My Commission Expires:
May 5, 2002*

